



Thursday, September 16, 2010

House Meets At...	Votes Predicted At...
10:00 a.m. For Legislative Business Five “One-Minutes” Per Side	First vote: 10:30 – 11:30 a.m. Last vote: 2:00 – 3:00 p.m.

**ANY ANTICIPATED MEMBER ABSENCES FOR VOTES TODAY SHOULD BE REPORTED IMMEDIATELY TO THE OFFICE OF THE MAJORITY WHIP AT 226-3210.**

**Floor Schedule and Procedure**

- **H. Res. 1620 – Providing for consideration of H.R. 4785 - Rural Energy Savings Program Act (Rep. McGovern – Rules):** The structured rule provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Agriculture and by the chair and ranking minority member of the Committee on Energy and Commerce. The rule waives all points of order against consideration of the bill except those arising under clause 9 or 10 of rule XXI. The rule provides that in lieu of the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill, the amendment in the nature of a substitute printed in part A of the report of the Committee on Rules accompanying the resolution shall be considered as an original bill for the purpose of amendment and shall be considered as read. The rule waives all points of order against the amendment in the nature of a substitute except those arising under clause 10 of rule XXI. This waiver does not affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure). The rule makes in order only those amendments printed in part B of the Rules Committee report accompanying the resolution. Each amendment made in order may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question. The rule waives all points of order against the amendments printed in part B of the report except for clauses 9 and 10 of rule XXI. The rule provides one motion to recommit with or without instructions. The rule further provides that the Chair may entertain a motion that the Committee rise only if offered by the chair of the Committee on Agriculture or his designee. The rule provides that the Chair may not entertain a motion to strike out the enacting words of the bill. Debate on the rule will be managed by Rep. McGovern, and consideration will proceed as follows:
  - One hour of debate on the rule.
  - Possible vote on a Democratic Motion ordering the previous question. **Members are urged to VOTE YES.**
  - Vote on adoption of the rule. **Members are urged to VOTE YES.**

- **H.R. 4785 - Rural Energy Savings Program Act (Rep. Clyburn – Agriculture/Energy and Commerce)**: Pursuant to H.Res. 1620, debate on the bill will be managed by Agriculture Committee Chairman Collin Peterson, and Energy and Commerce Committee Chairman Henry Waxman, or their designee. Consideration of the bill will proceed as follows:
  - One hour of general debate on the bill
  - Debate and votes on amendments to the bill.
  - Debate and vote on Republican motion to recommit the bill.
  - Vote on final passage of the bill. **Members are urged to VOTE YES.**
  
- **Postponed Suspension Votes:**
  1. **H.Res. 1612** - Expressing the support for and honoring September 17, 2010 as “Constitution Day” (Rep. Latta - Oversight and Government Reform)
  2. **H.Res. 1613** - Expressing condolences to and solidarity with the people of Pakistan in the aftermath of the devastating floods that began July 22, 2010 (Rep. Berman - Foreign Affairs)
  3. **Senate Amendment to H.R. 3562** - An act to designate the federally occupied building located at 1220 Echelon Parkway in Jackson, Mississippi, as the 'James Chaney, Andrew Goodman, Michael Schwerner, and Roy K. Moore Federal Building' (Rep. Thompson (MS) - Transportation and Infrastructure)

## **Bill Summary & Key Issues**

### **Summary of H.R. 4785 – Rural Energy Savings Program Act**

#### **I. Rural Star**

Individual co-ops or state-based groups of co-ops will apply to the Rural Utilities Service (RUS) of the U.S. Department of Agriculture (USDA), to borrow money to fund local energy efficiency programs that meet RUS energy savings standards. Co-ops will use the money to make low-interest loans to consumers that sign up for the voluntary program.

Loans would be made for energy efficiency upgrades with a 10-year payback, and repaid on the consumer’s utility bill. Participating consumers repay the co-ops for the installation and material costs through a charge on their utility bills with the energy savings from the upgrade covering most, if not all, of the cost of the loan. After the loan is repaid, consumers will save hundreds of dollars annually.

The risk of the program is borne entirely by the participating co-op, which advances funding for each project and is then reimbursed through a USDA Rural Utilities Service loan.

### **Rural Star Utilizes the System of the National Rural Electric Cooperative Association**

- The legislation allows rural electric co-ops to receive zero interest loans from the Department of Agriculture's Rural Utility Service (RUS). The co-ops must use the loan funds to make low-interest loans to qualified consumers for the purpose of implementing energy efficiency or farm efficiency measures on the consumers' property.
- Loans to qualified consumers are not to exceed 3 percent interest. Qualified consumers are to repay the loans through charges added to their electric bill.

### **Rural Star Creates and Saves Jobs**

- Rural customers are facing increasing costs for electric power. Rural electric co-ops are facing a growing demand for electric power at a time when they are constrained from building new generation capacity.
- By providing loans to qualified consumers to implement energy efficiency measures or farm efficiency measures, the legislation will achieve significant reductions in energy costs, energy consumption as well as creating and saving jobs.

### **Rural Star Builds on Existing Programs**

- Eligible entities that have already established energy efficiency programs for qualified consumers are allowed to use their existing list of energy efficiency measures or farm efficiency measures, implementation plans, or measurement or verification systems, if the Secretary of Agriculture determines that the list, plan, or system is consistent with the purposes of the legislation.

### **Rural Star Funds Credible Projects**

- To receive a loan, an energy audit must be conducted on the qualified consumers' property to determine the impact of the proposed energy efficiency measures will have on the energy costs and energy consumption of the qualified consumer.

### **Rural Star Assists with Initial Start-Up Costs**

- Eligible entities can request a special advance to assist them in defraying initial start-up costs of a project. Special advances are to be no greater than 4 percent of the loan amount the eligible entity receives.

## **II. Home Star Energy Efficiency Loan Program**

The substitute for H.R. 4785, the "Rural Energy Savings Program Act," includes the Home Star energy efficiency loan program that was reported by the Energy and Commerce Committee on April 15, 2010, as part of H.R. 5019, the "Home Star Energy Retrofit Act of 2010."

H.R. 5019 was approved by the Committee with a bipartisan vote of 30 to 17. It was supported by a broad array of stakeholders, including energy efficiency advocates, manufacturers, small businesses, business and industry trade associations and small businesses.

The Home Star Energy Efficiency Loan Program is a natural companion to the Rural Energy Savings Act. The Rural Energy Savings Act authorizes zero-interest loans to rural electric cooperatives for purposes of offering consumers loans for energy efficiency home retrofits. The Home Star Energy Efficiency Loan Program authorizes zero-interest loans to those portions of the country not served by rural electric cooperatives.

Under the Home Star loan program, the States would borrow federal funds to allow entities like electric utilities or other entities capable of administering a loan program to provide loans to consumers for residential energy efficiency measures. The Department of Energy, in consultation with the Secretary of Agriculture, identifies those energy efficiency measures that will save consumers money over time.

The recession has had a significant impact on the home construction and services industry, which have experienced unemployment rates of 27%. Additionally, manufacturing plants that produce construction-related products have operated at 50% of capacity. Home energy retrofit work can provide significant employment opportunities for construction workers while boosting domestic manufacturing.

It is estimated that more than 92% of the energy efficient products and materials for which the Home Star program will stimulate sales are manufactured in the United States.

Home energy efficiency retrofits can also cut the nation's energy use – saving consumers money and cutting pollution. American homes account for about 33% of the nation's total electricity demand and approximately 22% of all energy use in the United States.

#### **Summary of the Amendment in the Nature of a Substitute in Part A Proposed to be Considered as an Original Bill**

The substitute for H.R. 4785 is nearly identical to the rural energy efficiency loan program language ordered reported by the Agriculture Committee on July 14, authorizing loans from the Rural Utilities Service to rural electric cooperatives for purposes of making loans to their residential and farm customers for energy efficiency measures. In addition, the substitute adds a Home Star energy efficiency loan program that is nearly identical to the energy efficiency loan program reported out by the Energy and Commerce Committee in April as part of H.R. 5019. The Home Star Energy Efficiency Loan Program authorizes loans to the States in order for States to select eligible entities to provide loans to consumers for residential energy efficiency measures.

#### **Summary of Amendments to H.R. 4785 - Rural Energy Savings Program Act**

1. **Holden #6 (REVISED):** Would clarify that loan funds under the bill may not be used to purchase manufactured homes, makes technical corrections to a Comptroller General report, prohibits provision of funds to certain contractors and makes ineligible for loans certain Federal Employees. Also requires the Secretaries of Energy and Agriculture to take steps to prevent misuse of funds. Would prohibit any additions to direct spending in regards to provisions within this Act. Would not allow an entity with an ongoing capital repayment obligation to the Treasury due to the Troubled Assets Relief Program to participate in the programs within this Act. Would ensure that funds provided under this bill would supplement and not supplant other energy efficiency funding.

**Chairman Peterson recommends that Members VOTE YES.**

2. **Cuellar #2:** Would direct the Secretary of Agriculture to provide assistance and technical advice to the qualified entities providing loans under this bill to increase the participation of economically distressed rural communities with unemployment rates above the national average.

**Chairman Peterson recommends that Members VOTE YES.**

3. **McCarthy, Carolyn #9:** Would require that lenders providing loans under this Act give priority to active duty members of the Armed Forces and to veterans.

**Chairman Waxman recommends that Members VOTE YES.**

4. **Inslee #4:** Would require the Department of Energy, in consultation with the Secretary of Agriculture, to consider passive house retrofits when identifying qualified energy efficiency measures.

**Chairman Waxman recommends that Members VOTE YES.**

**Quote of the Day**

“Where ignorance is our master, there is no possibility of real peace.”

— Dalai Lama

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